



# State of Wisconsin / OFFICE OF THE COMMISSIONER OF INSURANCE

**Scott McCallum**, Governor  
**Connie L. O'Connell**, Commissioner

**Wisconsin.gov**

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Section Ins 15.01 (11) (a), Wis. Adm. Code, requires that as a condition prerequisite to the continuation of a limited certificate of authority to transact a warranty business in Wisconsin, every warrantor and warranty plan administrator shall by March 31 of each year submit financial statements prepared on an accrual basis in accordance with generally accepted accounting principles and audited by an independent certified public accountant on the financial condition of such warrantor or warranty plan administrator for the preceding calendar year ending December 31 and which may include all such information as the Commissioner may require.

Also required is a \$100 annual continuation of license fee to accompany the report.

The enclosed form OCI 27-002 (R 03/2002) is divided into two parts. Companies are required to complete both parts A and B. Part A asks for the "amount collected on warranty plans written or administered in Wisconsin during prior year." Do not leave this part blank if the total amount collected is zero, please indicate this. Part B has two sections. Companies must complete Section One or Section Two depending on the company's proof of financial security.

**Section One:** This section should be completed by companies who maintain security deposits or letter of credit not less than \$50,000 plus 15% of all the warranty fees and charges collected from consumers for all unexpired warranty contracts in force in Wisconsin on January 1 of the current year in compliance with s. Ins 15.01 (7), Wis. Adm. Code.

**Section Two:** This section should be completed by companies who may file insurance contracts procured through an insurer authorized to transact business in Wisconsin under which the insurer assumes your obligations arising out of a warranty contract issued in Wisconsin to the extent that the obligations are not fulfilled due to insolvency or other financial impairment.

Failure to file the above items in time will result in forfeiture pursuant to s. 601.42, Wis. Stat., and/or revocation of your limited certificate of authority pursuant to s. Ins 15.01 (10), Wis. Adm. Code.

If you have any questions or concerns, please feel free to contact Ms. Rebecca Easland (608) 261-8562 or Mr. Roger Peterson (608) 267-4384.

Sincerely,

Yvonne Sherry  
Administrative Assistant  
Bureau of Financial Analysis and Examinations

Enclosure

**WARRANTY PLAN  
FINANCIAL SECURITY REQUIREMENT**



Office of the Commissioner of Insurance  
Bureau of Financial Analysis and Examinations  
P.O. Box 7873  
Madison, Wisconsin 53707-7873

**Ref.** Section 601.64, Wis. Stat.  
Section Ins 15.01, Wis. Adm. Code

**FINANCIAL SECURITY REQUIREMENT  
AS OF DECEMBER 31, \_\_\_\_\_**

**Return this form by MARCH 31.  
Submit documentation of security with this form.**

Warranty Plan	Administrator
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A. Amount collected on warranty plans written or administered in Wisconsin during prior year \_\_\_\_\_

**B. Complete either Section One or Section Two**

☐ Section One:

Amounts collected on policies In force*	\$ _____	(A)
Required security based on policies in force	_____	(B) (AX15%)
Required fixed security	\$ 50,000	(C)
Total financial security required	\$ _____	(B+C)

☐ Section Two:

Full name of insurer \_\_\_\_\_

Policy No. \_\_\_\_\_

Effective date \_\_\_\_\_

Expiration date \_\_\_\_\_

\* Includes all fees and charges collected on warranty contracts issued to Wisconsin consumers which are active as of January 1 of the current year. For example: If you write a four-year policy on January 1 with a fee of \$100, your required financial security from this policy would be \$15 in each of the four years the policy is in force.

Title of Officer	Name of Officer (type or print)
Date	Signature of Officer